

TRIAL EXHIBIT 190

From: Kristen Gil.
To: [-] Andy Rubin; theoc@google.com.
Cc: [-]
Bcc: [-]
Subject: Fwd: BOD question.

Sent: 10/11/2010 10:46 PM.

Hi Andy (cc: theOC),

Thanks again for putting this response together. Forwarding only to the OC (copied here) in preparation for the Board meeting.

Thanks,
Kristen

----- Forwarded message -----

From: Andy Rubin <arubin@google.com>
Date: Sat, Oct 9, 2010 at 10:27 PM
Subject: BOD question
To: Kristen Gil <kristengil@google.com>

Hi,

Enclosed are the slides for the BOD question #2. Please do not distribute -- these detail our partner strategy and control points for the product we created.

--
Kristen Gil
M (650) 210-6615

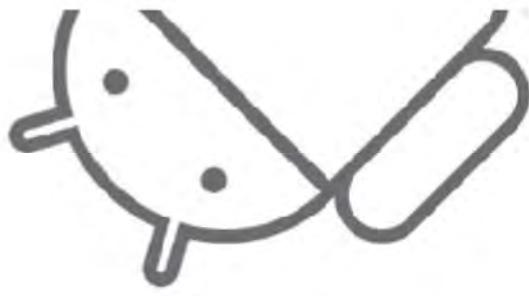
UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

TRIAL EXHIBIT 190

CASE NO. 10-03561 WHA

DATE ENTERED _____

BY _____
DEPUTY CLERK



Google Android

Answers to strategy questions for BOD
Oct 8, 2010

Andy Rubin

Question

On Chrome and Android we have taken an approach to focus on market share. It would be nice to hear the longer term vision for how we make money on Android. Should we seek some control over how partners extend and use the services. Eg: Verizon app store, Bing search on Android etc. worried about dis-intermediation of Android.



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How do we retain control of something we gave away?

- We credit Android's rapid adoption to the fact that we made it available under an open source license
- Because of its Apache licensing model, we sent a strong signal that we are not controlling the platform (vs. GPL or dual license model)
- Because Google was historically seen as a threat to operators, giving up control was a key component of operators adopting Android
- This is one reason Android is considered one of the most commercially successful Linux distributions

Conclusion: Open source reduces friction

If we gave it away, how can we ensure we get to benefit from it?

Create policies that allow us to drive the standard

- Be the shepards of the standard we created – we are in the lead because of our head start. Maintaining the pace will guaranty our lead.
- Do not develop in the open. Instead, make source code available after innovation is complete
- Lead device concept: Give early access to the software to partners who build and distribute devices to our specification (ie, Motorola and Verizon). They get a non-contractual time to market advantage and in return they align to our standard.
- We created the first app store for Android and it got critical mass quickly. The store now has value and partners want access to it because of the number of apps available.
- Own the ecosystem we enabled: Evolve the app store. Set the rules. Define developer monetization opportunity. Train developers on our APIs. Give developers one place where they get wide distribution. Provide a global opportunity & payment system. Help developers get distribution via revshare with operators. Extend app store to other devices and other market segments (ie, Google TV)

Conclusion: Provide incentives -- carrots rather than sticks



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Carrots are healthy food, but carrying a stick can save lives

Anti-Fragmentation Agreements

- Prevents our partners from taking actions that result in fragmentation:
 - Distributing HW or SW that is not Android compatible
 - Creating and distributing competing SDKs

GMS Agreements

- Aligns incentives through distribution of Google services:
 - Provides access to Google's marketplace and apps
 - Enables revenue sharing on certain services
 - Anti-fragmentation signed as part of this agreement

Lead Device Program

- Provides early access to the Android source-code for OEMs that help us build lead devices
 - Incentivizes participation in the Android program
 - Ensures Google services are installed

Compatibility Test Suite + CDD

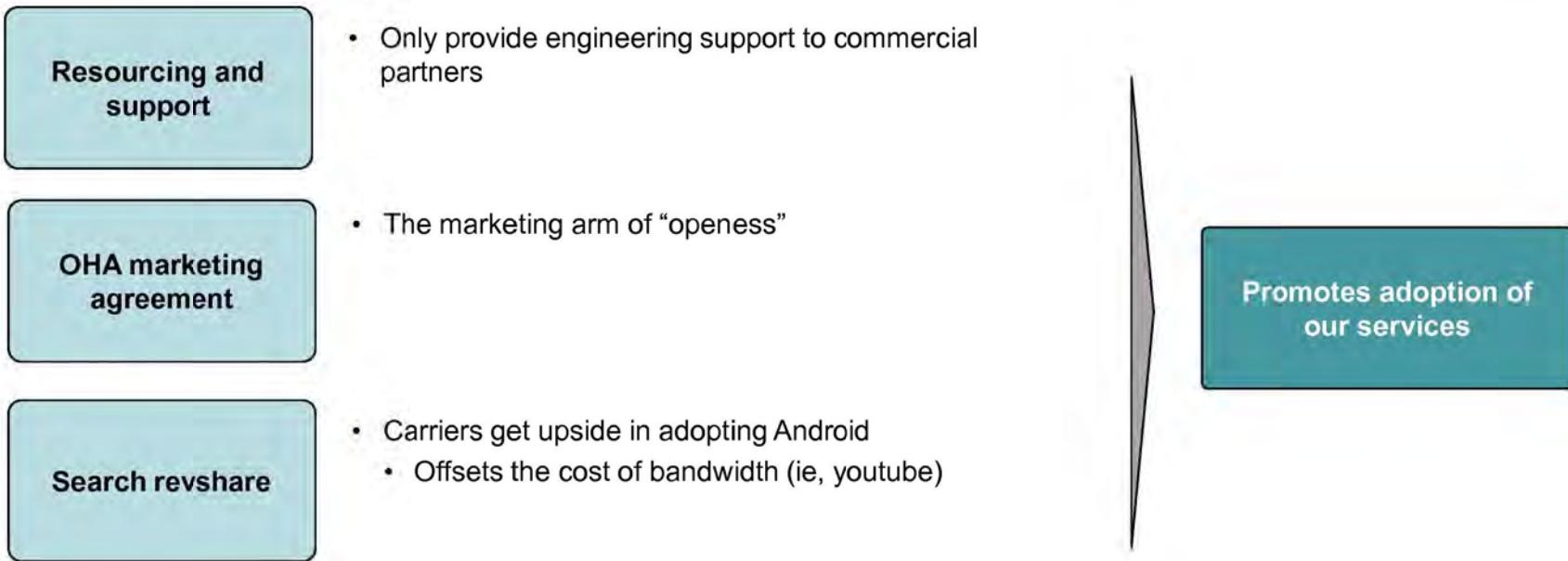
- Tests Android implementations to ensure our developers' apps run on a maximum number of devices
 - Required before OEMs can provide access to Android market
 - CDD allows us to define the platform roadmap
- Revshare with operators gets us distribution
- Operator "channels" help ensure they participate in our ecosystem

Market revshare agreements

Stops our partners and competitors from forking Android and going alone

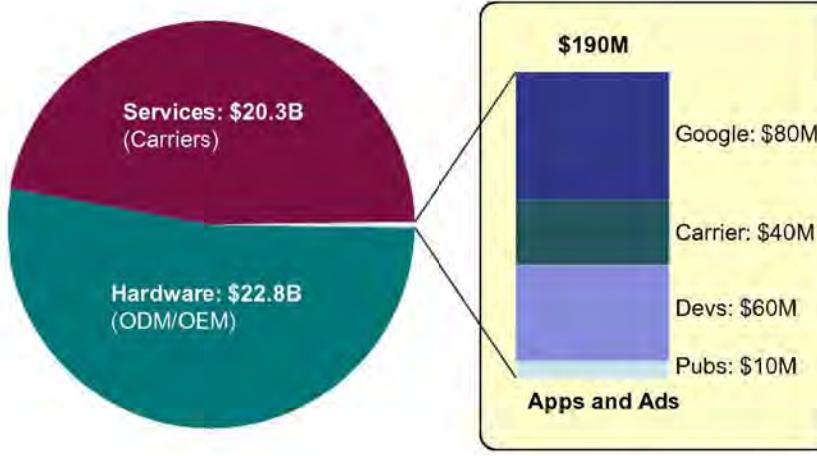
We define the standard and shape the ecosystem

Carrots are healthy food (cont'd)



Our application and advertising services helped build Android into a \$43B / year ecosystem; these same services protect us from losing control`

Android now supports a hardware and services ecosystem worth over \$43B a year⁽¹⁾



All enabled by...

Our apps and ads services have made this this possible, and work to protect our position

- Solved the Unix/Linux fragmentation problem by providing scale and consistency within an open platform
 - Single brand
 - Worldwide user and developer reach
 - Global partnerships
 - Global payments network
- Provided a viable, open solution for services that consumers now expect in a smartphone

These services inherently rely on scale to succeed – no one partner can easily fragment and replicate the complete platform

And we'll soon HARVEST and dramatically increase the value of these streams further:

- **Android Market** – Expanding internationally, adding in-app billing, direct carrier billing, improving app discoverability, and more
- **Digital Content** – Q1 launch of Google's own content store
- **Mobile Wallet** – Trials beginning in Q4
- And more...

Notes: (1) Based on August 2010 run-rate



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